

Agenda Supplement--May 10-11, 2006

Attachment to the State Board Meeting materials.

AGENDA

May 10-11, 2006

SUPPLEMENT

State Board Members

Glee Johnson, President
Kenneth Noonan, Vice President
Alan Bersin
Ruth Bloom
Yvonne Chan
Don Fisher
Ruth E. Green
Joe Nuñez
Johnathan Williams
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Secretary & Executive Officer

Hon. Jack O'Connell

Executive Director

Roger Magyar

PUBLIC SESSION SUPPLEMENTAL AGENDA

Pursuant to Government Code Section 11125.3

Wednesday, May 10, 2006

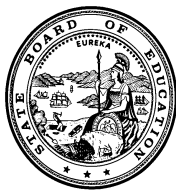
**California Department of Education
1430 N Street, Room 1101
Sacramento, California 95814**

ITEM 41 (DOC; 68KB;3pp.)	Academic Competitiveness Grants for Pell Grant-eligible students: Determination regarding need for immediate action; and approval of additional rigorous secondary school program option to permit state students to qualify for Academic Competitiveness Grants. <ul style="list-style-type: none">• Attachment 1 (PDF; 68KB; 10pp.)• Attachment 2 (PDF; 50KB; 2pp.)	INFORMATION ACTION
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Supplemental item 41 is being added to the agenda for the California State Board of Education meeting scheduled for May 10-11, 2006, to comply with federal requirements for submission by June 1, 2006, of an additional rigorous secondary school program option that will allow California students to establish eligibility for Academic Competitiveness Grants. The invitation to submit an additional option was contained in a letter dated May 2, 2006, sent by U.S. Secretary of Education Margaret Spellings. Receipt of the letter occurred too late to allow a notice 10 days before the scheduled meeting.

California Department of Education

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CALIFORNIA STATE BOARD OF EDUCATION

MAY 2006 AGENDA

SUBJECT

Academic Competitiveness Grants for Pell Grant-eligible students: Determination regarding need for immediate action and approval of additional rigorous secondary school program option to permit state students to qualify for Academic Competitiveness Grants.

- ☒ Action
- ☒ Information
- ☐ Public Hearing

RECOMMENDATION

State Board of Education (SBE) staff recommends that the SBE submit to the U.S. Department of Education (USDOE) additional eligibility requirements for California high school graduates applying for Academic Competitiveness Grants, a newly established federal postsecondary financial aid program.

SUMMARY OF PREVIOUS STATE BOARD OF EDUCATION DISCUSSION AND ACTION

None

SUMMARY OF KEY ISSUES

Recent federal legislation established two new types of Pell Grants to provide financial assistance to college students (see attachment, U.S. Department of Education, "Student Eligibility Options for New Academic Grants," May 2, 2006.) One of these programs, the Academic Competitiveness Grant Program, will provide assistance to low-income students who have completed a rigorous high school curriculum, as well as meeting other program requirements. Academic Competitiveness Grants will provide \$750 for first-year college students and \$1,300 for second-year college students.

This item has been added to the agenda to permit compliance with federal requirements for submission by June 1, 2006, of an additional rigorous secondary school program option that will allow California students to establish eligibility for Academic Competitiveness Grants. The invitation to submit an additional option was contained in a letter dated May 2, 2006, sent by U.S. Secretary of Education Margaret Spellings. Receipt of the letter occurred too late to allow a notice 10 days before the scheduled meeting.

The USDOE has provided options for students to demonstrate that they have completed a rigorous high school curriculum. These include:

- 1) ***Receiving an advanced or honors diploma currently offered by states.*** In California, this equates to the Golden State Seal Merit Diploma program which is earned by achieving scale scores of 370 or greater on 6 tests from a list of eligible California Standards Test (350 is the minimum score for Proficient; the minimum for Advanced is 390 or greater, depending on the test).
- 2) ***Completing a State Scholars Initiative Program.*** The State Scholars Initiative is a national program funded by the U.S. Department of Education's Office of Vocational and Adult Education and administered by the Western Interstate Commission for Higher Education (WICHE). The program defines a rigorous high school curriculum as completion of a designated number of courses in each of several subject areas at specified levels (4 years of English, 3 of math, 3 of lab science, 3.5 of history/social studies, and 2 of foreign language). California does not participate in this program.
- 3) ***Completing a set of course requirements similar to the State Scholars Initiative Program.***
- 4) ***Achieving passing scores on 2 Advanced Placement or International Baccalaureate tests.***

Students graduating from California high schools will have the potential to demonstrate that they meet the rigorous high school requirement through options 1, 3, and 4. California does not participate in the State Scholars Initiative Program, option 2 is not available to California graduates.

Direction from USDOE indicates that, in addition to the four options above, states are allowed to submit for approval to the U.S. Secretary of Education additional criteria that demonstrate completion of a rigorous high school curriculum.

The A-G Requirement: A Possible Additional Criterion for California Graduates

In California, we have developed a definition of rigorous high school curriculum called the A-G requirement. This requirement serves as an entrance requirement for the University of California and the California State University. This California-based criterion is a strong candidate as an additional option for demonstrating completion of a rigorous high school curriculum under the Academic Competitiveness Grant program. Specifically, it offers the following advantages:

- Meeting the A-G requirement represents completion of a rigorous high school curriculum.
- This standard was developed through extensive public input from the higher education community, schools, policymakers, and the business community.
- The A-G requirement is well known and well understood by California students and educators.
- The A-G requirement closely mirrors the rigor of the State Scholar Initiative and thus would likely be approved by the U.S. Secretary of Education.

A-G Requirement: College preparatory courses in the following subjects must be approved by the university to qualify for admissions credit.

- A. History/Social Science – 2 years
- B. English – 4 years
- C. Mathematics – 3 years
- D. Laboratory Science – 2 years
- E. Language other than English – 2 years
- F. Visual and Performing Arts – 1 year
- G. College Preparatory Elective – 1 year
A course from the a-f subject areas

FISCAL ANALYSIS

The recommendation would not result in any additional costs to the state, schools, students, colleges, or universities. Another eligibility option for California high school graduates would increase the number of Californians able to benefit from Academic Competitiveness Grants.

ATTACHMENT(S)

May 2, 2006, letter from US Secretary of Education Margaret Spellings

U.S. Department of Education, "Student Eligibility Options for New Academic Grants," May 2, 2006.

THE SECRETARY OF EDUCATION

WASHINGTON, D.C. 20202

May 2, 2006

Dear Colleague:

The purpose of this letter is to describe how the U.S. Department of Education intends to implement a new student grant program. Please note that action described in this letter may be required by June 1 for college students from your State to receive a new type of federal student financial aid.

A growing national consensus is emerging on the need for high school reform, and the need to refocus on math and science education. Leaders from the business, political, and educational communities are in agreement on the importance of improving our national performance. Recent studies and test scores support this view.

One common denominator has been the call for more academic rigor in the classroom – more demanding subjects, more years of study, and greater access to college preparatory courses. President George W. Bush has said that “...we need to encourage children to take more math and science, and to make sure those courses are rigorous enough to compete with other nations.” At the 2005 National Education Summit on High Schools, the nation’s governors agreed that “To ensure that all high school graduates are prepared for postsecondary education and work, governors and business and education leaders must develop a comprehensive plan for their states to ... [r]estore value to the high school diploma....” However, in a recent study, Achieve, Inc. reported that only eight States in the nation “have enacted college- and work-ready graduation requirements.”

Recent statistics display how much room for improvement we have in this arena:

- Eight developed nations have surpassed America’s high school graduation rate among young adults;
- Nearly a third of all students – and about half of African American and Hispanic students – do not graduate from high school on time;
- Of the students who do graduate, less than half are ready for college-level math and science coursework;
- Almost 30% of incoming college freshmen require remediation in reading, writing, or math; and
- In 1970, the U.S. produced over 50% of the world’s science and engineering doctorates; by 2010, our share is projected to be about 15%.

The solution to this situation demands systemic action on the part of educational leaders and citizens to improve our high schools, provide opportunities for students that will better prepare

them for college, and place a greater emphasis on math and science education. Congress has responded to this need. On February 8, 2006, the President signed into law the Deficit Reduction Act of 2005 (Pub. L. 109-171). Included as a subtitle within the Act is the “Higher Education Reconciliation Act of 2005 (HERA).” HERA contains a new student grant program, the Academic Competitiveness Grant Program. The program includes two types of grants for certain Pell Grant-eligible college students: the Academic Competitiveness Grant (AC grant) and the National Science and Mathematics Access to Retain Talent Grant (SMART grant).

This grant program makes available \$790 million in the 2006-07 academic year and \$4.5 billion over five years to provide aid to low-income college students who meet general Pell Grant program guidelines, as well as additional specified criteria. AC Grants will be awarded to first- and second-year college students who have successfully completed a rigorous secondary school program, while SMART grants will be awarded to third- and fourth-year college students who major in mathematics, science, technology, engineering, or critical foreign languages. (See Attachment for additional program details.)

As these funds are available beginning in July for students enrolling in college for the 2006-07 academic year, it is important that quick action be taken to set up the means for distributing these funds. This letter aims to get the process moving on this grant program and to explain how the Department will deliver these critical funds to eligible students in the near term. I also outline the steps the Department envisions taking over the next several years to use these grants to encourage and support States as they make high school a more rigorous, challenging, and relevant experience for all students. As part of this process, and because there is a need to implement these programs in time to make awards at the beginning of the 2006-2007 academic year, we are preparing to publish final regulations, with a waiver of notice-and-comment rulemaking and negotiated rulemaking, that will specify how we will implement this program for at least the next two academic years. For the years thereafter, we intend to promulgate regulations to establish the details of the program’s implementation. This rulemaking will be conducted in a manner consistent with the requirements of the Higher Education Act of 1965, as amended (HEA), and the Administrative Procedure Act (APA).

I recognize that implementing these new programs this year will place significant burdens on colleges and universities. I believe that financial aid officers and other campus officials will make every effort to implement these new programs in accordance with all of their unique requirements, but am sensitive to the fact that this may be difficult given the complexity of the programs and time constraints.

Initial Eligibility

Not all college students receiving Pell Grants will be eligible for AC or SMART grants. Based on the additional statutory eligibility requirements, we estimate that less than forty percent of Pell Grant-eligible students will be eligible for an AC or SMART Grant.

Listed below are the general additional eligibility requirements for the AC and SMART grants, beyond the general Pell Grant requirements, that reduce the number of eligible students. These grants will be available to any Pell Grant-eligible student who:

- Is a full-time student;
- Is a citizen of the United States; and
- Is enrolled in a two- or four-year degree-granting institution of higher education.

In addition, for AC Grants, a student must:

- Have not been previously enrolled in a program of undergraduate education (if a first-year student);
- Have completed high school after January 1, 2006, if a first-year student; and
- Have completed high school after January 1, 2005, if a second-year student.

These criteria do not take into account the most obvious eligibility requirements for these grants – that is, taking a rigorous secondary school program of study for the AC Grants and majoring in math, science, or a critical foreign language for the SMART Grants. (See Attachment for full requirements.)

Academic Competitiveness Grants for 2006-07 and 2007-08

Under the AC Grant program, Congress has established that an individual student may receive up to \$750 (for a first-year student) or \$1,300 (for a second-year student) to pay for higher education, if the student has successfully completed “...a rigorous secondary school program of study....” Second-year recipients must also have attained at least a 3.0 GPA in their first year of undergraduate education. According to the statute, a rigorous secondary program of study is one that is “established by a State or local educational agency and recognized as such by the Secretary [of Education]....” The law also provides that “The Secretary shall recognize at least one rigorous secondary school program of study in each State....”

In recognizing these programs, I will respect the authority of each individual State to set graduation requirements, and I will follow the law’s directive prohibiting the Department from mandating, directing or controlling State or local curricula, programs of instruction, academic achievement standards or assessments. I will conduct a thorough and transparent review and will be consulting with external stakeholders to aid me in this process.

Because the law requires the U.S. Department of Education to implement the AC Grant program for the 2006-07 academic year, time is of the essence to recognize rigorous secondary school programs of study. **For the 2006-07 academic year, each State has the option of submitting a rigorous secondary school program of study to the Secretary for recognition.** However, I am concerned about the timing of this process, because only about half of the States have created a statewide Honors or Advanced diploma program of study that they might consider rigorous, and other options are needed for private and home-schooled students. Students and institutions of higher education need to be able to understand, in the short term, who will be eligible for the aid offered by this program. Having this knowledge as early as possible is crucial to enabling students and financial aid officers to plan for the 2006-07 academic year.

As a first step toward recognition of rigorous secondary school programs of study, it is my intention to recognize all existing Advanced or Honors diploma programs as rigorous secondary school programs of study. A list of the Advanced or Honors programs that I will immediately recognize as rigorous appears in the Attachment. However, after examining the high school graduation requirements in all fifty States, it is clear that many States do not currently have an Advanced or Honors diploma pathway.

Options For Students

Advanced or Honors diploma programs are not available to all high school students and there will likely be States that do not opt to establish a new “rigorous program of study” by the June 1 deadline discussed below. To make it possible for all students to be eligible for these grants, we must create other options for private school students, home-schooled students, students enrolled in Department of Defense Overseas Schools, and students from States that have not designated an Advanced or Honors diploma. In order to cover all of these students, and enable them to understand quickly who is eligible for an AC Grant, I intend to recognize the additional following three options as evidence of rigor in a secondary school program of study. (These options are described in detail in the Attachment.)

- *The State Scholars Initiative requirements.* A student may complete the courses required under the State Scholars Initiative. This program, supported by Congress, establishes a required set of courses that is patterned after the recommendations of the National Commission on Excellence in Education. Fourteen States currently participate in this program, which includes four years of English, three years of math, three years of lab science, three-and-one-half years of social studies, and two years of a language other than English. Eight additional States will begin participation in the State Scholars Initiative program this year.
- *A set of courses similar to those required under the State Scholars Initiative.* A student may demonstrate that he or she has completed a set of courses that are similar to the courses required under the State Scholars program.
- *Advanced Placement (AP) or International Baccalaureate (IB) courses and test scores.* A student may demonstrate that he or she has taken two AP or IB courses and received passing scores on the AP or IB tests. This recognition is consistent with the Administration’s belief that AP and IB courses demand content mastery from a student, and the Administration’s proposal to expand the AP/IB Incentive Program.

This set of options will open up many opportunities for individual students to receive AC Grants. In addition, a State can establish, or request recognition of, a new or different rigorous secondary school program of study and submit information on that program to the Department for recognition for this academic year. **If a State wishes to establish an alternative rigorous secondary school program of study to meet the requirements of this new law, the State Educational Agency must submit its proposal to the Department by June 1, 2006, in order to ensure that we move forward quickly enough for grants to be disbursed in a timely fashion. If a State does not submit a proposal by this date, it will signify its affirmation of**

the four options for rigor listed above. Additional details about how to submit this information are in the Attachment.

I am recognizing the set of options identified above as rigorous secondary school programs of study for at least the next two academic years (2006-07 and 2007-08), as we work to implement this grant program quickly and smoothly. If a State seeks recognition of a newly established or different secondary school program of study for the 2007-08 academic year, it should submit information on that program to the Department by November 1, 2006.

Academic Competitiveness Grants in 2008-09 and Beyond

After this initial two-academic-year time frame, I would like to recognize a set of requirements for academic rigor that even more accurately reflects what is required for success in college. Over time, we will recommend a more demanding set of requirements for what is recognized as a rigorous secondary school program of study. This action – which would begin in the 2008-09 academic year – will enable States, schools, families, and students to ready themselves to achieve this higher goal.

In future rulemaking, the Department envisions establishing criteria that it will consider when recognizing additional rigorous secondary school programs of study, as well as other program provisions. The guidelines I set forth below are my suggestions, based on the latest research available to the Department, for working toward a more accurate reflection of the preparation students need in order to succeed in college. Additional information about these recommendations appears in the Attachment.

First, for the 2008-09 academic year I plan to recommend that the State-defined Advanced or Honors diplomas, State Scholars Initiative requirements, and Advanced Placement or International Baccalaureate courses and test scores would remain as eligibility options.

Second, I plan to recommend raising the standard by which the *required set of courses* option is recognized for the 2008-09 academic year. At that time, I would recognize a required set of courses as specified for the State Scholars Initiative, with several slight revisions. These revisions would increase the flexibility students would have in their course taking.

SMART Grants: 2006-07 and 2007-08

Under the SMART Grant program, Congress established that qualifying third- or fourth-year students may receive up to \$4,000 per year to pay for higher education, if the student majors in mathematics, science, or a critical foreign language.

The implementation of the SMART Grant program does not present as many implementation obstacles as the AC Grant program does, because institutions of higher education already have most of the information that is required to determine a student's eligibility. The only additional

information required is a list of the eligible majors in math, science, technology, engineering, and critical foreign languages. The Department will publish a list of these majors on its Web site.

Conclusion

To improve our nation's economic competitiveness, we must first improve our students' academic performance. The data clearly point to a solution: higher expectations, more rigorous coursework, and a renewed focus on math and science. With AC Grants and SMART Grants, we have two new tools to encourage students to take – and schools to offer – the right courses to prepare students to enter and thrive in college.

In recognizing the rigorous secondary school programs of study described in this letter, I believe we will allow deserving students to participate in this program, and that we will encourage students to prepare themselves academically for success in higher education and the highly competitive workforce. States will also maintain the flexibility to submit a proposal for what they recognize as rigorous.

In addition to helping us administer the AC and SMART Grant programs, we trust that States will communicate about this program to their residents, particularly the educators and parents upon whom students' academic success ultimately depends. We look forward to working with you in the effective and expedient implementation of these grants. Please feel free to contact us if you have any questions.

Sincerely,

Margaret Spellings

Attachment

Additional Information on AC/SMART Grants

1. Eligible Students

An eligible student may receive an Academic Competitiveness Grant (AC Grant) of up to \$750 for the first academic year of study and up to \$1,300 for the second academic year of study. To be eligible for each academic year, a student must:

- Be a U.S. citizen;
- Be a Federal Pell Grant recipient;
- Be enrolled full-time in a degree program;
- Be enrolled in the first or second academic year of his or her program of study at a two-year or four-year degree-granting institution;
- Have completed a rigorous secondary school program of study (after January 1, 2006, if a first-year student, and after January 1, 2005, if a second-year student);
- If a first-year student, not have been previously enrolled in an undergraduate program; and
- If a second-year student, have at least a cumulative 3.0 grade point average on a 4.0 scale (as set forth in regulations to be promulgated soon) for the first academic year.

An eligible student may receive a National SMART Grant of up to \$4,000 for each of the third and fourth academic years of study. To be eligible for each academic year, a student must:

- Be a U.S. citizen;
- Be a Federal Pell Grant recipient;
- Be enrolled full-time in a degree program;
- Be enrolled in a four-year degree-granting institution;
- Major in physical, life or computer science, engineering, mathematics, technology, or a critical foreign language; and
- Have at least a cumulative 3.0 grade point average on a 4.0 scale (as set forth in regulations to be promulgated soon).

Note that the amount of the AC or SMART Grant, when combined with a Pell Grant, may not exceed the student's cost of attendance. In addition, if the number of eligible students is large enough that payment of the full grant amounts would exceed the program appropriation in any fiscal year, then the amount of the grant to each eligible student may be ratably reduced.

2. Recognized rigorous secondary school programs of study for Academic Competitiveness Grant program in 2006-07 and 2007-08

Listed below are the existing Advanced or Honors programs that will be immediately recognized as rigorous. This list has been compiled based on the Department's best efforts in this short time period and may not be exhaustive of all rigorous secondary school programs within a State. If a program is not correctly identified for your State, or if you have an additional rigorous program for recognition, please indicate this to the Department by June 1.

Alabama Advanced Academic Endorsement
Arkansas College Preparatory Core Curriculum

California Golden State Seal Merit Diploma
Delaware Distinguished Achievement Diploma
Georgia College Preparatory with Distinction Diploma
Indiana Academic Honors Diploma
Kentucky Commonwealth Diploma
Louisiana Academic Endorsement to the Standard Diploma
Massachusetts Certificate of Mastery
Missouri College Preparatory Studies Certificate
Nevada Advanced Diploma
New York Regents Diploma with Honors or Advanced Designation
Ohio Honors Diploma
Oklahoma Certificate of Distinction
Pennsylvania Certificate of Distinction
Texas Distinguished Achievement Diploma
Virginia Advanced Studies Diploma
Washington Scholar Designation
Wyoming Advanced Endorsement Diploma

In order to provide options to students, the following three programs will be recognized as evidence of rigor in a secondary school program of study.

- *The State Scholars Initiative requirements.* Students who participate in and complete the State Scholars program will be eligible. This program, currently offered in fourteen States and patterned after the recommendations of the National Commission on Excellence in Education, requires at least four years of English, three years of math (including Algebra I, Algebra II and Geometry), three years of lab science (biology, chemistry, physics), three-and-one-half years of social studies, and two years of a language other than English.
- *A required set of courses similar to the State Scholars Initiative.* This program of study includes four years of English, three years of Math (including Algebra I and a higher level course such as Algebra II, Geometry, or Data Analysis and Statistics), three years of science (including at least two courses from biology, chemistry or physics), three years of social studies, and one year of a foreign language. The program of study must be completed with passing grades.
- *Advanced Placement or International Baccalaureate courses and test scores.* This program requires a minimum of two Advanced Placement (AP) or International Baccalaureate (IB) courses in high school and a minimum passing score on the exams for those classes. Students must score 3 or higher on AP exams and 4 or higher on IB exams. This recognition is consistent with the Administration's belief that AP and IB courses demand rigor from a student, and complements the Administration's proposal to expand the AP/IB Incentive Program in Fiscal Year 2007.

3. Process to Submit a State Request for Recognition

If a State Educational Agency (SEA) wishes to establish an alternative rigorous secondary school program of study for recognition by the Secretary, the SEA should submit a proposal by June 1, 2006. The submission should describe how the successful completion of the program of study ensures that students will be exposed to rigorous high school coursework that will prepare them for college. The submission should also contain evidence that a State university in your State's system will consider students college-ready if they complete the program. Furthermore, the submission should provide evidence that input on the program was received from the Governor, State Educational Agency, appropriate higher education officials, and the business community.

If a State does not submit a proposal by this date, it will signify its affirmation of the four options for rigor listed above.

Proposals should be submitted electronically by June 1, 2006, to:

Secretary Margaret Spellings
U.S. Department of Education
400 Maryland Avenue, SW
Washington, DC 20202

ACGRANTS@ed.gov

If a State wishes to establish a new program of study that would apply to the 2007-08 academic year (that is, one that differs from the recognized programs of study in 2006-07), it must submit information on that program of study by November 1, 2006. This will allow the Department time to prepare for timely administration of the AC Grant program in the 2007-08 academic year. Proposals should be submitted as described above.

4. AC Grant recognition of programs of study: 2008-09 and beyond

Future rulemaking activity will establish the criteria for the Department to recognize rigorous programs of study and to implement other program provisions in the 2008-09 academic year and beyond. The guidelines I am setting forth below are my suggestions for how we can more accurately reflect what is required for success in college in the 2008-09 academic year.

- *State-defined Advanced or Honors diplomas.*
- *The State Scholars Initiative requirements.* As described above.
- *A set of course requirements similar to the State Scholars Initiative.* This program of study is more rigorous than the set of course requirements that will be recognized for the 2006-07 and 2007-08 academic years. This program of study will include four years of English, three years of Math (including Algebra I, Algebra II and a higher level course such as Geometry, Pre-calculus, or Data Analysis and Statistics), three years of lab science including biology, chemistry, and physics (one of these courses can be substituted with a higher level course), three years of social studies, and two years of a language

other than English. Any otherwise eligible student who completes, with passing grades, this program of study will be eligible for an AC Grant.

- *Advanced Placement or International Baccalaureate courses and test scores.* As described above.



U.S. DEPARTMENT OF EDUCATION



STUDENT ELIGIBILITY OPTIONS FOR NEW ACADEMIC GRANTS

May 2, 2006

"We wanted potential college students to know as soon as possible if they were eligible to receive these grants. We used some common-sense measures to determine the options that would be available to students and states."

-- U.S. Secretary of Education Margaret Spellings

To meet the growing need for improved math and science instruction, on Feb. 8, 2006 President Bush signed into law two new student grant programs -- the Academic Competitiveness Grants and National Science and Mathematics Access to Retain Talent (SMART) Grants. Today, the U.S. Department of Education announced guidelines to make these grants available to college students in the 2006-07 academic year.

\$790 million is set aside this school year for these grants, created by the Higher Education Reconciliation Act of 2005. The grants will encourage students to take more challenging courses in high school – making success in college more likely, according to research – and to pursue college majors in high demand in the global economy, such as science, mathematics, technology, engineering and critical foreign languages.

- General eligibility requirements: to qualify, students must be (1) eligible for Federal Pell Grants; (2) United States citizens; and (3) full-time students.

Academic Competitiveness Grants will be available to students for their first and second years of college.

- Up to \$750 will be awarded to eligible first-year students, and up to \$1,300 for second-year students.
- Students must have completed a rigorous secondary school program of study as established by a state or local educational agency and recognized by the U.S. Secretary of Education.
- Students must be enrolled or accepted in a two- or four-year degree-granting institution of higher education.
- First-year students must not have been previously enrolled in a program of undergraduate education and must have graduated from high school after Jan. 1, 2006.
- Second-year students must have graduated from high school after Jan. 1, 2005, and have had at least a cumulative 3.0 grade-point average (GPA) during their first year of college.

National SMART Grants will be available to students for their third and fourth years of college.

- Up to \$4,000 will be awarded to eligible students.
- Students must be enrolled in a four-year degree-granting institution of higher education.
- Students will be eligible if they are pursuing a major in mathematics, science (including physical, life, and computer sciences), technology, engineering, or a critical foreign language.
- Students must have at least a cumulative 3.0 GPA in college.

Students in public or private schools, home-schooled, or enrolled overseas in Department of Defense schools have several options by which to demonstrate successful completion of a rigorous secondary school program of study, thereby establishing their eligibility for Academic Competitiveness Grants. For the 2006-07 academic year, the following options will be immediately recognized as demonstrating successful completion of a rigorous program of study:

- Receiving advanced or honors diplomas currently offered by States;
- Completing a State Scholars Initiative program;
- Completing a set of course requirements that is similar to the State Scholars requirements; and
- Achieving a specified score on Advanced Placement / International Baccalaureate tests after course completion.

For more information, visit www.ed.gov or call 1-800-USA-LEARN.

All States have the option of identifying additional secondary school programs of study for the Secretary to recognize as rigorous.

- States wishing to submit a secondary school program of study for recognition by the Secretary of Education must do so by June 1, 2006, to be considered for the 2006-07 academic year.
- States should demonstrate how their program meets the definition of a rigorous program of study.
- States should also submit evidence that input on these proposals was received from the Governor, a State Educational Agency, appropriate higher education officials and the business community.
- If a State does not submit a proposal by June 1, 2006, it indicates a choice to use the options immediately recognized for the 2006-07 year.

For National SMART Grants, federal guidelines will provide students and institutions of higher education with information about which eligible postsecondary majors in math, science, technology, engineering and critical foreign languages will qualify students for grants.

- Guidelines were posted on April 6, 2005, to the Federal Student Aid website:
<http://www.ifap.ed.gov/dpcletters/GEN0604.html>
- A list of eligible majors will be posted today at <http://www.ifap.ed.gov>

The Department has moved quickly to get funds to students by making these options available for the 2006-07 academic year.

- **Feb. 1, 2006** Congress passes the Higher Education Reconciliation Act of 2005 as part of the Deficit Reduction Act of 2005.
- **Feb. 8, 2006** President Bush signs Higher Education Reconciliation Act of 2005 into law.
- **April 5, 2006** The U.S. Department of Education explains the process for administering grants to institutions of higher education through a letter posted on the Department's website.
- **May 2, 2006** The U.S. Department of Education announces guidelines on how students will qualify as having successfully completed a rigorous secondary school program of study.
- **May 2006** Final regulations for Academic Competitiveness Grants and National SMART Grants are expected to be published in the Federal Register & posted to the Federal Student Aid website.
- **June 1, 2006** Deadline for States to establish and submit to the Secretary of Education an alternate rigorous secondary school program of study for recognition in the 2006-07 academic year.
- **Late June 2006** States, colleges and students will receive notice of programs that have been recognized as rigorous for grant purposes by the Secretary of Education for the 2006-07 academic year.
- **July 1, 2006** Potentially eligible students will be notified via email and regular mail that they should submit additional information to the Department of Education to determine Academic Competitiveness Grant eligibility.
- **Fall 2006** Institutions of higher education will verify student eligibility using records of high school performance. Student aid will be disbursed.
- **Nov. 1, 2006** Deadline for States to establish and submit to the Secretary of Education additional rigorous secondary school programs of study for recognition in the 2007-08 academic year.
- **January 2007** States receive notice of rigorous secondary school programs of study that have been recognized by the Secretary of Education for the 2007-08 academic year.

More information on Academic Competitiveness Grants and National SMART Grants can be found at:
www.ed.gov